

COMMITTEE ON GOVERNMENT REFORM
TOM DAVIS, CHAIRMAN



NEWS RELEASE

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House Passes Davis's Historic Legislation
Approving \$1.5 Billion for Metro System
*Bill Enhances Federal Oversight And Renews
Congressional Commitment to Regional Transit Agency*

WASHINGTON, D.C. – Chairman Tom Davis (R-VA-11th) is pleased to announce that the full House of Representatives tonight voted to approve his legislation re-committing the federal government to provide funding for capital improvements and critical maintenance for the Washington Metro system.

The legislation, H.R. 3496, the “National Capital Transportation Amendments Act of 2005,” combined with separate legislation passed last month by the House, would provide \$1.5 billion in federal money over 10 years for the Washington Metropolitan Area Transit Authority (WMATA), which runs the Metro system. Metro would get \$150 million a year over 10 years.

H.R. 3496 passed on a 242 to 120 vote.

The legislation would also: create an Inspector General for WMATA to oversee finances, add four members (two voting, two non-voting) representing the federal government to WMATA’s Board of Directors, including one voting member who must be a regular Metro rider; require Virginia, Maryland and the District of Columbia to establish dedicated funding streams to pay their share of Metro costs; and require those jurisdictions to pay 50 percent of the net costs of any capital improvement or maintenance project.

“I am extremely pleased that the House has reaffirmed the federal government’s long-standing commitment to the Nation’s Capital’s transit agency,” Davis said. “In many ways, Metro is the lifeblood of the federal government. Federal workers make up

more than half of rush-hour subway riders, and more than 50 federal agencies are located adjacent to subway stations.”

“The federal government needs Metro,” Davis added. “And for its long-term viability, Metro needs the reinvestment from federal government contained in this legislation.”

By itself, H.R. 3496 does not commit any money to the Metro system. But Davis has already secured a source for the \$150 million in annual federal payments outlined in the legislation. This was accomplished through a provision Davis added last month to H.R. 4761, The Deep Ocean Energy Resources Act.

Investigations and oversight conducted by Davis’s Government Reform Committee have revealed that the federal government may be entitled to \$70-80 billion in additional royalty payments from companies drilling for oil on offshore sites. The money is due in part because the Interior Department failed to include price thresholds in deepwater leases signed in 1998 and 1999, which has prevented the federal government from collecting appropriate royalties.

The House on June 29 approved H.R. 4761, including a Davis-sponsored provision that authorizes \$150 million of Outer Continental Shelf receipts to be available to the Secretary of the Treasury for each of the fiscal years 2007 through 2016 to fund capital and preventive maintenance projects for the Washington Metropolitan Area Transit Authority.

Davis introduced H.R. 3496 in July, 2005, along with the Members of Congress from the National Capital regional. It was approved unanimously by the Government Reform Committee on October 20, 2005. The legislation continues the federal government’s long-standing support of the Washington Metro system.

Federal investment in WMATA dates back to 1960, when President Eisenhower signed the “National Capital Transportation Act,” creating a National Capital Transportation Agency to develop a regional rail system for the Nation’s Capital. Since that time, Congress has periodically infused the system with funding for maintenance and expansion, recognizing the federal government’s unique and undeniable reliance on the Metro system.

Davis’s full statement today in favor of H.R. 3496 is below:

“Mr. Speaker, I rise today in strong support of H.R. 3496, the National Capital Transportation Amendments Act of 2005. This important legislation would establish critical new oversight and accountability mechanisms for the Washington Metropolitan Area Transit Authority, including an Inspector General and an increased federal presence on the Authority’s Board of Directors.

“These steps are being taken to ensure that the funding provided to the Authority by Virginia, Maryland, the District of Columbia, and the federal government is being spent as effectively and efficiently as possible. I urge my colleagues to support this important legislation.

“Mr. Speaker, in 1960, President Eisenhower signed the *National Capital Transportation Act* to provide for the development of a regional rail system for the Nation’s Capital. He did so in recognition of the need to provide reliable access to government facilities for federal workers, contractors, and citizens.

“Over the years, other Presidents have also recognized this need: Kennedy, Johnson, Nixon, Carter, and most recently George H.W. Bush.

“Past Congresses have done so as well. In 1965, the National Capital Transportation Act was signed into law. Subsequently, Congress passed amendments to this Act in 1969, 1979 and 1990. The sentiment expressed by Congress in supporting Metro in 1979 remains the same today:

Congress finds that an improved transportation system for the National Capital region is essential for the continued and effective performance of the functions of the Government of the United States, for the welfare of the District of Columbia, for the orderly growth and development of the National Capital region, and for the preservation of the beauty and dignity of the Nation's Capital.

“The sole purpose of the previous authorizations was to provide the easy and reliable access to government for federal employees and citizens that President Eisenhower envisioned.

“Today, the Metro system remains an indispensable resource of the federal government. At peak times, over half of Metro’s riders are federal employees and contractors. Metro’s record riderships have occurred during historic events where people from all over the country flock to the Nation’s Capital to for a *national* gathering: President Reagan’s funeral, 4th of July celebrations, presidential inaugurations. In times of national crisis, the Metro system also has proved indispensable to the federal government – such as during the September 11th terrorist attacks, in which Metro served as the primary means out of a city under lockdown.

“In many ways, the Metro system is the lifeblood of the federal government. More than 50 federal agencies in the National Capital Region are located adjacent to Metro stations. This is not coincidence – federal agencies rely on the Metro system to get their employees to and from the workplace year-round, in all types of weather. Unfortunately, as was recently evidenced when Metro suffered delays due to the torrential rains that hit the region, when Metro shuts down, the federal government shuts down.

“In 1965, 1969, 1979, and 1990, Congress recognized the unique relationship between the federal government and Metro, acknowledging the shared responsibility in maintaining the Metro system to make sure it keeps pace with the growing service demands.

“Without a similar commitment today, Metro will no longer remain a viable transportation option for the federal government or the region.

“Last month, as part of the *Deep Ocean Energy Resources Act*, the House voted to devote funds from future OCS receipts for Metro revitalization. The bill today sets out other measures necessary to ensure those dollars are well spent.

“Before I detail what this bill does, let me detail what it does not do: It does not authorize any additional appropriations for the Metro system. This bill is about good government, something I am sure we can all agree upon.

“Specifically, this bill requires the three jurisdictions comprising the Washington Metropolitan Area Transit Authority – Maryland, Virginia, and the District of Columbia – to come up with dedicated revenue sources to cover capital and operational expenses. As GAO recently reported, Metro is unique among major transit systems in that it only derives a tiny amount of its budget from dedicated sources. This legislation would require the local jurisdictions to come together and rectify a long-standing discrepancy.

“The bill also creates an inspector general for the Washington Metropolitan Area Transit Authority. Most major transit systems have an IG in place already. There is no question WMATA is a complex organization many moving parts. Thus, it is especially important that appropriate controls are in place to identify and address managerial, financial, and operational discrepancies and problems.

“Without the legislation we are considering today, the federal funding for Metro that was authorized as part of the *Deep Ocean Energy Resources Act* last month would have no strings attached to it. The purpose of H.R. 3496 is to establish an Inspector General to monitor the operations of the Transit Authority and to ensure that the federal funding generated by the OCS receipts would not be allocated unless the local jurisdictions have committed to equally share the financial responsibilities with the federal government.

“Finally, the bill adds four federal members to the WMATA Board of Directors – including, for the first time, a federal presence on the WMATA board. Since Metro is such an integral part of the federal government’s day-to-day operations, it stands to reason there should be direct federal representation in Metro’s affairs.”